### SANFORD D. BISHOP, JR.

SECOND DISTRICT, GEORGIA

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## Congress of the United States House of Representatives

Washington, **DC** 20515—1002

March 25, 2010

The Honorable Eric Holder Attorney General U.S Department of Justice 950 Pennsylvania Ave., NW, Room 1145 Washington, DC 20530

Washington, DC 20554

The Honorable Julius Genachowski Chairman Federal Communications Commission 445 12th Street, SW

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Dear Attorney General Holder and Chairman Genachowski:

I am writing regarding the potential impact of Comcast's proposed acquisition of NBC Universal (NBCU). Without careful analysis and conditions to ensure a level playing field for competition, the increased market power and concentration of content from the merger will lead to higher costs for programming across the industry and higher fees for consumers especially for customers of small multi-channel video programming distributors (MVPDs) in rural America.

As you know, the proposed merger would bring together the country's largest cable provider and internet service provider with one of the leading television broadcasters, which also owns several cable networks. A Comcast/NBCU combination would yield enormous market power and control a disproportionate amount of content that consumers demand. This giant post-merged company would have the leverage to charge its competitors and MVPD customers an excessive rate to access programming and establish onerous conditions. A combined Comcast/NBCU would have incentive and ability to set anti-competitive rates, terms, and conditions, which are already too often the norm with regard to contracts negotiated by video programming content providers today. These rates and conditions are entirely inconsistent with the public interest, and greatly impact the rural multichannel video distribution market. The merger demands forceful oversight.

Small, rural MVPDs already face significant barriers in their efforts to serve rural America. Adequate merger conditions are necessary in order to prevent the situation from further deterioration. Therefore, I recommend that several conditions be enacted to safeguard against the risks such market concentration may have on stifling competition.

## These suggested conditions include:

- 1. Requiring Comcast and NBCU to provide the Department of Justice and FCC full access to program contracts between Comcast and NBCU and other MVPDs, including access to clauses covering the prices, terms and conditions of programming, currently guarded under non-disclosure agreements.
- 2. Require Comcast/NBCU to offer rural MVPDs the lowest rate per subscriber for programming that is offered to other MVPDs.
- 3. Require Comcast/NBCU to offer its most desirable programming, including sports programming, to other MVPDs on a stand-alone basis with reasonable terms and conditions.
- 4. Prohibit Comcast/NBCU from bundling video content with web content.
- 5. Prohibit Comcast/NBCU from offering its own programming exclusively to its subscribers.

Thank you for looking into this and I look forward to hearing from you regarding these matters.

With warmest regards, I remain

Sincerely,

Sanford D. Bishop, Jr. Member of Congress



# FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 11, 2010

The Honorable Sanford D. Bishop, Jr. U.S. House of Representatives 2429 Rayburn House Office Building Washington, D.C. 20515

Dear Congressman Bishop:

Thank you for your letter regarding the proposed joint venture between Comcast Corporation and General Electric Company (GE), which includes GE's NBC Universal, Inc. I appreciate learning your views on the proposed transaction and your correspondence will be made part of the record in this proceeding.

On March 18, 2010, the Commission issued a *Public Notice* requesting public comment on the proposed Comcast-GE joint venture. On April 16, 2010, the Commission's Media Bureau suspended the May 3, 2010 deadline for public comment – temporarily stopping the 180-day informal time clock – pending the submission of two additional economic reports by the applicants. Those reports are now part of the record, and the Bureau has established a new pleading cycle. Comments and petitions to deny now are due June 21, 2010, responses to comments and petitions are due July 21, and replies are due August 5. Please be assured that the Commission will conduct a thorough and fact-based review of this proposed transaction. The issues discussed in your letter related to small multichannel video programming distributors and subscribers will be considered carefully as part of the Commission's independent review of the transaction.

I appreciate your interest in this important matter. Please do not hesitate to contact me if I may be of further assistance.

Sincerely,

Julius Genachowski